



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES SALE OF AQUILA NETWORKS, INC. EASTERN SYSTEM TO AMERENUE

Jefferson City (April 20, 2004)---The Missouri Public Service Commission has approved an agreement which authorizes the sale of the Eastern System natural gas assets of Aquila Networks, Inc. (d/b/a Aquila Networks-MPS and Aquila Networks-L&P) to Union Electric Company (d/b/a AmerenUE). In an application filed with the Commission on December 3, 2003, Aquila Networks, Inc. sought Commission authority to transfer its natural gas distribution system providing service to approximately 4,200 customers in the Rolla, Salem and Owensville areas to AmerenUE.

The application stated the proposed sale of the system would not be detrimental to the public interest because the sale would not result in any reduced level of service or reliability for those customers presently served by Aquila. According to the application, AmerenUE will integrate the system with its natural gas operations in Missouri.

The agreement approved by the Commission was submitted by the Staff of the Missouri Public Service Commission, the Office of the Public Counsel, Union Electric Company and Aquila Networks, Incorporated. The agreement was reached as a result of extensive negotiations conducted by the above parties.

The PSC Staff stated in support of the agreement that the agreement assures current customers of AmerenUE as well as Aquila's Eastern System customers are protected from detriment. In addition, Aquila Networks-MPS and L&P customers are not expected to suffer any detriment as a result of the transfer. Staff stated that those customers currently identified as Aquila's Eastern System customers will, upon transfer, receive safe and reliable service from AmerenUE.

The Commission's order approving the agreement states: "The Commission has considered the unanimous stipulation and agreement, the pleadings and the prefiled testimony, and the Staff Memorandum. The Commission finds that the agreement is a reasonable resolution of the issues raised and also finds that the transfer will not be detrimental to the public interest, and will approve it."

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